Distr.
GENERAL

IDB.13/SR.6
24 November 1994

ORIGINAL: ENGLISH

United Nations Industrial Development Organization

Industrial Development Board

Thirteenth session

SUMMARY RECORD OF THE 6th MEETING

Held at the Vienna International Centre, Vienna,
on Wednesday, 9 November 1994, at 3 p.m.

President: Mr. ARCILLA (Philippines)
later: Mr. WEJTKO (Poland)
later: Mr. EL HUSSEIN (Sudan)

CONTENTS

Agenda item		Paragraphs
5	Report of the Programme and Budget Committee	1 - 115
	(a) Report of the External Auditor, financial performance report and programme performance report for the biennium 1992-1993	
	(b) Financial situation of UNIDO	
	(c) Medium-term plan, 1996-2001 (including implementation of resolution GC.5/Res.1)	
	(d) UNIDO-administered funds	
	(i) Guidelines and procedures governing acceptance and funding	
	(ii) Industrial Development Fund	
	(iii) In-depth evaluation of special trust fund projects	
	(e) UNIDO Country Director programme	
	(f) Accounting standards	
	(g) Electronic data-processing programme (continued)	
13	Home leave entitlements of staff serving in the UNIDO Secretariat (continued)	

CONTENTS

Agenda item		Paragraphs
	The meeting was called to order at 3 p.m.	
	REPORT OF THE PROGRAMME AND BUDGET COMMITTEE	
	(a) REPORT OF THE EXTERNAL AUDITOR, FINANCIAL PERFORMANCE REPORT AND PROGRAMME PERFORMANCE REPORT FOR THE BIENNIUM 1992-1993	
	(b) FINANCIAL SITUATION OF UNIDO	
	(c) MEDIUM-TERM PLAN, 1996-2001 (INCLUDING IMPLEMENTATION OF RESOLUTION GC.5/Res.1)	
	(d) UNIDO-ADMINISTERED FUNDS	
	(i) GUIDELINES AND PROCEDURES GOVERNING ACCEPTANCE AND FUNDING	
	(ii) INDUSTRIAL DEVELOPMENT FUND	
	(iii) IN-DEPTH EVALUATION OF SPECIAL TRUST FUND PROJECTS	
	(e) UNIDO COUNTRY DIRECTOR PROGRAMME	
	(f) ACCOUNTING STANDARDS	

This record is subject to correction.

Corrections should be submitted in one of the working languages, set forth in a memorandum and/or incorporated in a copy of the record. They should be sent to the Head, Translation Service, room D0748.

In accordance with the rules of procedure of the Board, corrections may be submitted within seven days of the receipt of the record or of the closure of the session, whichever is later. Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

V.94 28264 8132E

Distr.: 28 November 1994

(g) ELECTRONIC DATA-PROCESSING PROGRAMME (continued) (IDB.12/2; IDB.13/2, IDB.13/3 and Add.1, IDB.13/4 and Corr.1, IDB.13/5-9, IDB.13/10 and Add.1, IDB.13/11, IDB.13/19-21, IDB.13/22 and Add.1, IDB.13/24, IDB.13/28, IDB.13/29, IDB.13/31; IDB.13/CRP.4, IDB.13/CRP.6)

HOME LEAVE ENTITLEMENTS OF STAFF SERVING IN THE UNIDO SECRETARIAT (continued) (IDB.13/25 and Add.1, IDB.13/31; IDB.13/CRP.5)

1. Mr. DEROY (Managing Director, Mobilization and Management of Financial Resources Division) introduced agenda item 5 (d), UNIDO-administered funds. The Director-General's Bulletins UNIDO/DG/B.177 and UNIDO/DG/B.178 contained the guidelines and procedures governing acceptance and funding under special trust funds, the Industrial Development Fund and the regular budget. The procedures took account of the requirements of all kinds of funds used in UNIDO's technical cooperation activities. They would be reviewed after they had been in force for one year and had already proved their worth in their first six months of operation.

2. Contributions to the Industrial Development Fund and special trust funds should reach some $30 million in 1994, with various other approvals taken into account, in particular under the Montreal Protocol, the level of approvals for the first nine months of 1994 was over 30 per cent higher than in the same period for the previous year. The extrabudgetary resources in question would be more useful if they could be used more flexibly and if they were more foreseeable. Since the beginning of 1994, the Secretariat had taken every possible opportunity to secure additional resources for the Organization. At the present session, India had announced a contribution of $1 million for 1995, with an 80 per cent increase in the convertible currency portion, and Thailand had announced a contribution of $23,500.

3. The proportion, by number of projects, of special trust fund projects to the aggregate of UNIDO's technical cooperation projects had increased to 35 per cent in 1994. Expenditure under projects financed from special trust funds had risen from $9 million in 1986 to $30 million in 1993. The evaluation of special trust fund projects had not revealed any particular criterion for assigning a project to a special trust fund rather than to the Industrial Development Fund, although special trust fund projects had sometimes proved more flexible in design and implementation. The Associate Expert programme had proved satisfactory to donors and beneficiaries. It would be useful to study the possibility of standardizing the terms of employment of Associate Experts.

4. Mr. MUEGGE (Director, Strategic Planning Office), introducing agenda item 5 (c), Medium-term plan, 1996-2001, said that, in the revised draft medium-term plan (IDB.13/19), descriptive and analytical material had been reduced significantly and a new section added on linkages between the services envisaged in the plan and the involvement of UNIDO's different programmes in those services. The Secretariat's proposal to reduce the coverage of the medium-term plan to four years had proved to be in line with United Nations thinking, as borne out by a proposal of the Secretary-General to that effect in document A/49/301.

5. Turning to agenda item 5 (e), UNIDO Country Director programme, he said that the Secretariat's work on the Organization's future field representation programme was described in the Director-General's progress report on UNIDO's policy and structure (IDB.13/27). In that work the Secretariat was addressing the need to adapt the functions of field offices to the Organization's future activities, for example by giving greater emphasis to substantive activities and direct information services to host countries. Areas such as technological and investment information, contact-creating services, including economic and technical cooperation among developing countries (ECDC/TCDC) and special industrial policy advice were likely to receive increasing attention. The Secretariat was also exploring the question of coordination between the Organization's field offices and the system of overall United Nations field representation and decentralized programmes, as well as coordination between those offices and UNIDO's headquarters activities. In the latter case, coordination would certainly need to be strengthened. Finally, the Secretariat was examining the costs and required resources, both financial and human, for strengthening the Organization's ability to operate the new field office programme, with particular reference to the minimum scale and staff composition of field offices, the possible range of national contributions and the potential for grouping services into fewer but larger offices in developing countries. The Secretariat was endeavouring to safeguard the work of its 43 existing field offices, as well as its Junior Professional Officers assigned to UNIDO and UNDP offices, throughout the present biennium. With the expected discontinuance of sectoral support from UNDP after 1996, a permanent solution would have to be found for securing the Organization's presence and service in an optimum number of developing countries.

6. Mr. BORCHARD (Germany), speaking on behalf of the European Union and Austria, dealt first with item 5 (a), Report of the External Auditor. He expressed gratitude to the External Auditor from Belgium for the thorough work he had done over the past eight years and welcomed the new External Auditor to Vienna. He thanked the Director-General for his report on the implementation of the External Auditor's recommendations and trusted that the Secretariat would comply with them fully. With regard to commitments approved for future fiscal periods, he welcomed the development of a system that would ensure the recording of commitments for future bienniums. He hoped that the long overdue publication of UNIDO's financial manual and the manual on policies, procedures and rules governing the activities of purchase and contract units would ensure the transparency required in that important sector. He welcomed the Organization's efforts to ensure financial completion of projects within 12 months after their operational completion.

7. He would like to receive fuller information on the outcome of steps undertaken by UNIDO to respond to the request for a more flexible personnel policy as well as on the level of representation of women at the senior level. He particularly welcomed the Director-General's intention to review personnel procedures and develop a methodology for assigning staff according to workload, and he looked forward to receiving information on the application of that methodology, which was urgently needed. He believed that staffing requirements should be based on measured workloads only and that staffing review procedures should be established. He would greatly like to hear the Director-General's views

on the feasibility of establishing an independent staff inspection function once the evaluation of that subject was completed.

8. Turning to item 5 (b), Financial situation of UNIDO, he said he had been pleased to learn of the improved situation of UNIDO's regular budget. He nevertheless continued to note with concern significant arrears of assessed contributions to the regular budget. He would urge the Member States concerned to pay their outstanding contributions in full and on time. He regretted that the situation of the operational budget had not improved and he welcomed the intention of the Director-General to balance the operational budget and reduce expenditure. He hoped the Director-General would explore ways of drawing from the regular budget for technical cooperation activities and looked forward to discussing his proposals on the subject at the next session of the Programme and Budget Committee. He fully supported of the three priority programmes and activities indicated by the Director-General in his report and requested the Director-General to report on progress achieved in that respect.

9. With regard to item 5 (c), Medium term-plan, 1996-2001, he thought the draft medium-term plan, still showed no sign of convincing progress towards a greater focus and clearer statement of priorities for UNIDO's activities. The Organization must justify its services by meeting gaps in the present array of bilateral and multilateral actors in the field of development cooperation, including the United Nations Office for Project Services. In implementing the medium-term plan, the Secretariat must ensure its absolute consistency with the reform process. UNIDO should adhere more closely to the guiding principle that its work should be designed to promote equitable and social development. Although its intended services in that area were impressively spelt out in the revised draft plan, all too often the Organization's activities still appeared to be concentrated on the well-established, medium- to large-scale subsectors such as study tours and software development.

10. In its next medium-term programme framework, UNIDO should comply more convincingly with Member States' requests for its activities to be far more precisely focused. With regard to the chapter on UNIDO's intention of improving the position of women workers, "mainstreaming", i.e. the inclusion of gender aspects in programmes where relevant, seemed to be a valuable idea, but its content should be made more specific.

11. Turning to item 5 (d), UNIDO-administered funds, he said the preliminary findings of the in-depth evaluation of special trust fund projects had sharpened interest in conducting a more thorough analysis of the evaluation report in its entirety. He therefore proposed that UNIDO should invite interested Member States to a briefing on the evaluation exercise early in 1995 with a view to further consideration of the matter, ultimately at a session of the Board.

12. He approved of the Secretariat's intention to support the Country Director programme until the end of 1995 through the provision of regular budget resources made available as a result of vacancies and economies.

13. With regard to item 13, home leave entitlements, he could not support the draft decision in the annex to document IDB.13/25. He believed that within the United Nations system matters like home leave entitlements of staff should be dealt with through internal consultation procedures, in which Member States should not be involved.

14. Ms. NOLAND (Netherlands) referred to the section on integration of women in development in the Director General's proposals for the revised draft medium-term plan, 1996-2001 (IDB.13/19, paras. 69-79). She said that concern existed about the way in which UNIDO would give operational effect to the policy of "mainstreaming" it had adopted. It even seemed doubtful whether all units of the Secretariat were aware of the policy. It was illogical for the integration of women in industrial development to be regarded as a "special consideration" when the Organization's statistics showed that they constituted about 30 per cent of the total manufacturing labour force, and 50 per cent or more in those countries where industrialization had been particularly rapid and successful. Elsewhere in [illegible] proposals only the slightest reference was made [illegible] catering for gender concerns, and none at all [illegible] connection with the development of human resources for industry (paras. 32-39), or environmentally sustainable industrial development (paras. 48-57). Even more serious was the omission of gender-specific statistics from the national industrial statistics programme. She asked the Secretariat to comment on those shortcomings.

15. In conclusion, she urged the Secretariat to do its utmost to fill the vacancy in the staff of the Integration of Women in Industrial Development Unit, whose existing Professional staff were overworked.

16. Mr. SOLENDIL (Turkey) announced that his Government had decided to make a special purpose contribution of LT 8.5 billion to the Industrial Development Fund for 1995.

17. Referring to item 5 (b), Financial situation of UNIDO, his delegation welcomed the Director-General's report on the scope and content of the operational budget (IDB.13/28) and approved of the Secretariat's intention that operational budget resources should be allocated to programmes which directly supported technical cooperation activities in proportion to the volume of those activities. To obviate the reduction in UNIDO's technical cooperation caused by the expected decrease in UNDP funding, the Organization should provide comprehensive technical assistance to developing countries rather than small sporadic services. UNIDO should do more to ensure growth in the budget by seeking new sources of funding. His delegation therefore approved of the creation in the Secretariat of a separate major programme devoted to fund mobilization.

18. With regard to the medium-term plan, his delegation supported the reduction in the length of plans from six to four years and the Director-General's proposal to rename the medium-term plan "medium-term programme framework". The five proposed development objectives should be more clearly defined in the 1995-1996 programme than they were in the revised draft medium-term plan and the existing services of UNIDO should be grouped under fewer, more comprehensive hearings.

19. His delegation hoped that income-generating activities for women and female entrepreneurship would be encouraged. In addition, while welcoming the emphasis placed on privatization in the medium-term plan, it believed that the Secretariat

needed expert assistance in that field. Turkey's aim was to limit State involvement in the economy to 30 per cent and confine it to areas such as health, education, social security and national security. His Government would take steps to alleviate the adverse social effects of its privatization plans. The Organization could usefully advise Governments on privatization issues by virtue of its own expertise or that of countries which had successfully completed their privatization programmes. His delegation would submit a draft resolution of the subject for consideration by the Board.

20. Mr. HELLER (Mexico) said that, against a background of modest but nevertheless precarious growth in the world economy, his delegation believed that the role of industry as a driving force for growth and the basis of economic and social development assumed particular importance. The General Conference had affirmed the need to adapt the Organization to the realities of international life through a broad process of reform. The Board must take long-term responsibility for strengthening UNIDO. The proposals for the revised draft medium-term plan, 1996-2001 (IDB.13/19) represented an important step in that direction, particularly because of the identification of services specifically related to UNIDO's objectives and programmes.

21. The Organization's advisory services in regard to industrial policies, technical services and the establishment of contacts with the private sector, and in particular with small and medium-sized enterprises, were salient factors in attaining its five new objectives. Also conspicuous were the advances in three priority areas of special importance: institutional support and the promotion of the private sector; small and medium-sized enterprises; and environment and energy. His delegation shared the ideas presented in the medium-term plan proposals and endorsed the suggestion that the medium-term plan should be renamed "medium-term programme framework", a term that accorded better with the intention that it should serve as a reference for the formulation of biennial programmes. His delegation also agreed that the period for the programme framework should be reduced to four years, which would be more compatible with the scheduling of the Programme and Budget Committee and also in line with the current trend in the United Nations.

22. Despite the substantial progress which the Organization had made, his delegation viewed with particular concern the persistent gap between the activities necessary to achieve Member States' industrial development objectives and the availability of funds. Needs must be balanced and the necessary funds mobilized accordingly. The increasing support being given to countries whose economies were in transition should supplement and not displace the assistance given to other countries.

23. The Director-General's report on the financial situation of UNIDO (IDB.13/22) presented an optimistic view of the regular budget, even though the contribution collection rate had fallen considerably in comparison with 1993. The temporary suspension of subparagraphs (b) and (c) of paragraph 4.2 of the Financial Regulations made it possible to increase liquidity by drawing on the contributions of previous years. Nevertheless, the arrears of contributions at 31 October 1994 totalled more than $79 million at the current rate of exchange; to that must be added the decrease, from 72.4 per cent in 1987 to 34.6 per cent in 1993, in the proportion of UNDP funds available for total project expenses.

24. The operational budget depended on the level of voluntary contributions, something which placed it in a precarious situation. With regard to its relationship to the regular budget, the components of expenditure should be identified better and the method used in allocating resources to the regular budget on the basis of the possibilities of repayments from other sources should be investigated more thoroughly.

25. Changes at the international level required redefinition of strategies and realignment of activities. The reform of UNIDO should be accompanied by measures such as an increase in voluntary contributions to the operational budget for technical cooperation activities. Possibilities should be explored of raising the fixed percentage of the regular budget available for those activities.

26. Mr. JEDDAH (Tunisia) observed on the subject of the UNIDO Country Director programme that the Director-General had rightly told the tenth session of the Programme and Budget Committee that the question of appropriate representation was of fundamental importance and that he intended to devote to the programme the savings made on the regular budget for 1994-1995. He had made the point that without effective field offices it would be extremely hard to improve UNIDO's operational programmes and activities in the various regions.

27. Tunisia wished to stress the importance of strengthening the UCD programme by using the regular budget and other sources. The UCD offices must be in a strong financial position, and the target of 50 CD posts should be achieved, or at any rate the present number maintained. His delegation supported the work being done on the matter, in particular the proposal to set up a technical cooperation fund for the UCD offices, which would enable them to respond rapidly to urgent requests for advisory services or direct support, urgent study trips in the region or missions to formulate programmes and projects. In the future a much stronger representation in the different countries would be necessary to help the Organization to identify, formulate, supply and follow up a wide range of services for an increasingly diverse clientele in the developing countries.

28. The financial resources to carry out the various technical assistance programmes had to be commensurate with the challenges involved. His delegation therefore appealed once again to donor countries and financial institutions to provide such resources.

29. He reiterated his delegation's support for the draft decision submitted by the Group of 77 concerning the 6 per cent limit on the allocation of funds from the regular budget to support technical cooperation activities. His delegation believed, like the Director-General, that such an increase would make UNIDO's reforms more credible.

30. Finally, he expressed his delegation's confidence in the Director-General's efforts to achieve the objectives set by the fifth session of the General Conference.

31. Mr. CHEN Shiqui (China), speaking on item 5, said that his delegation was concerned that the present year's collection rate for assessed contributions was rather low and that the support cost income for the operational budget was still poor. It appreciated the fact that the Secretariat was now economizing on administrative costs in order to strengthen some priority activities such as the UCD programme and the programmes for the least developed and African countries. UNIDO had been confronted with financial difficulties for a long time, mainly because some Member States had not paid their contributions on time. Since Member States had expressed their support for the reforms currently under way, his delegation hoped that they would pay the contributions that were needed in particular to support that process.

32. Since the fifth session of the General Conference the Secretariat had done everything possible to implement the reform plan. Progress had been made in administration, management and operational activities which had increased the confidence of Member States in the Organization and laid the foundation for futher reforms. His delegation hoped that the Secretariat would continue along those lines. Naturally, however, time was needed for the reforms to bear fruit.

33. Turning to the medium-term plan 1996-2001, he noted that the Programme and Budget Committee had considered the draft plan at its tenth session, after which the Secretariat had revised it on the basis of the comments of Member States. His delegation believed that the revised draft was in line with the newly-established strategic goals of UNIDO and, that the points of emphasis were clear and the measures feasible. It therefore endorsed the plan in principle, while recognizing that it would need to be adjusted in the light of future situations.

34. He hoped that the Secretariat would take practical steps to avoid over-extending the Organization's activities and rectify a certain lack of focus in its work.

35. Mr. REATEGUI (Observer for Peru) said that the general feeling among Member States was that the Organization's reform process was going in the right direction, as a result of the good work done by the Director-General and the Secretariat, which was confirmed by the quality and timely presentation of the documents before the Board, while there was thus political support for UNIDO's process of reorganization, financial support had lagged behind: although the contribution collection rate for the regular budget up to October 1994 was higher than the rate for the same period of the previous year, there had been a reduction in voluntary contributions to the operational budget. Clearly, without sustained financing the work of the Organization would be seriously restricted, and technical cooperation, already gravely restricted by the financing limit established in Annex II of the Constitution, would be substantially diminished. Similarly, field representation would be affected.

36. Peru therefore reiterated the pledge it had given at the time of the Yaoundé Declaration and reaffirmed its political and financial support for UNIDO. Peru supported the proposals that the Director-General should make full and effective use of the resources in the 1994-1995 biennium by reassigning the Secretariat's priority activities and programmes; pursue cooperation with UNDP, donor bodies and international financial organizations with a view to securing greater voluntary contributions for technical cooperation activities; consider how the 6 per cent limit on the proportion of the regular budget allocated for technical cooperation could be raised; and take action to mobilize resources to improve the financial basis of the Industrial Development Fund. The first three of those proposals had originated with the Latin America and Caribbean Group and would be submitted by the Group of 77. He urged all delegations to support the corresponding draft decisions.

37. His Government welcomed UNIDO's activities in Peru and hoped that they would be strengthened by a new UNIDO programme for Peru as a result of the visit to Lima of the Director for Latin America and the Caribbean in October 1994.

38. A first step had been the appointment of a National Director in the UNIDO Office in Peru, which his Government regarded as a very important measure, and it also supported the establishment of an Investment Promotion Service office or the assumption of those functions by UNIDO's existing field staff.

39. Industrial investment promotion had been reflected in the strategy and policy advisory services provided by UNIDO, under a trust fund made available by the Government of Japan, to the Commission for the Promotion of Private Investment (COPRI) for Peru's privatization programme in specific industrial sectors. Development and technology transfer would be strengthened by the establishment of a new national focal point, with multisectoral participation, of the Industrial and Technological Information Bank (INTIB). Small- and medium-scale enterprises could benefit from a flexible industrialization project drawing upon the Organization's advisory services. It was also planned to make more efficient use of the services of the world investment system in order to publicize the attractive investment and business opportunities that existed in Peru.

40. Peru's economy had been completely liberalized and deregulated since 1990. For the second year running, it had the highest growth in gross domestic product in the American continent (more than 9 per cent in 1994), with a 15 per cent increase in the indicator for the physical volume of industrial production, a dramatic decrease in inflation, which would be less than 20 per cent in 1994 and below 10 per cent in 1995, a foreign investment stock of more than US$ 6 billion, net international reserves of more than US$ 5 billion, and a successful privatization process under way. The combination of a revitalized UNIDO and a reorganized Peruvian economy should certainly produce excellent results.

41. Mr. See-Young LEE (Republic of Korea), commenting on item 5 (e), UNIDO's financial situation, said that his delegation had noted with appreciation the Director-General's efforts to achieve careful cash management, an improved collection rate and management control of regular budget resources. The resulting stabilized financial situation had helped to improve the implementation of work programmes. However, there remained a critical need for contributions to be paid in full and on time.

42. His delegation considered it necessary to give the Director-General more flexibility in

redeploying savings arising from rationalization measures to more demanding programmes in priority areas. It was prepared to give favourable consideration to the Director-General's suggestion to make full and effective use of unutilized resources in the 1994-1995 biennium by reallocating them to such priority programmes and activities as field representation, LDCs and core activities.

43. Noting that the income of the operational budget had declined, his delegation would encourage the Director-General to continue his efforts to improve the situation and try to balance the operational budget by the end of 1994.

44. The Republic of Korea had implemented various cooperation projects with UNIDO under the IDF trust fund and would contribute US$ 100,000 to the IDF for the year 1995 to support the technical cooperation programme.

45. Turning to the revised draft medium-term plan for the period 1996-2001, he noted with satisfaction that the activities envisaged were generally compatible with UNIDO's policy framework as outlined in document GC.5/23. The draft medium-term plan provided a broad framework through which UNIDO could address the needs of developing countries. He commended the Secretariat for introducing a new structure for the medium-term plan and a more appropriate mode of presentation.

46. Two priority areas would remain crucial to the industrialization of developing countries in the years ahead, namely, greater international competitiveness and promotion of human resources development. In the medium term more attention should be given to increasing the international competitiveness of developing countries' industries, with UNIDO's active involvement in helping promote greater participation of the private sector, particularly by small- and medium-scale enterprises, and a greater flow of foreign investment and technologies. Emphasis should also be laid on UNIDO's role in promoting human resource development, which had proved to be the basis for the industrialization of some fast growing economies.

47. Turning to the programme framework for field representation and the progress report on the UNIDO Country Director programme (IDB.13/3/Add.1, IDB.13/29), he endorsed the view that high priority should be given to the UNIDO Country Director programme. The Organization needed much stronger field representation to be more competitive, strengthen its position in securing the necessary funding, decentralize further and deliver a broader range of services to meet the immediate industrialization needs of developing countries. His delegation looked forward to receiving the Director-General's comprehensive programme on UNIDO's future field representation in the near future.

48. Mr. Weitko (Poland) took the Chair.

49. Mr. ARCILLA (Philippines) urged Member States to pay the arrears of contributions to the regular budget so as not to unduly hamper UNIDO's activities.

50. His delegation had noted the reduction in expenditure during the first eight months of the biennium because of the delayed appointment of staff to various positions, and welcomed the economy measures undertaken, while recommending that the Director-General should continue to find other possible areas for economies. He supported the reallocation of unutilized resources to fund the strengthening of UNIDO's field representation till the end of the current biennium as a stop-gap measure.

51. His delegation did not consider that the Secretariat's plan to upgrade the telephone system for which $1 million would have to be redeployed from general savings was opportune.

52. The delivery of services could be effective only when there was a man in the field in touch with the host country day-by-day. The Philippines had not had a UDC for some time, although it was indebted to Norway for having maintained a Junior Professional Officer in Manila, whose presence to some extent made up for the absence of a UCD. A greater percentage of the UCD programme's funding should be included in the regular budget, and he requested the Director-General to submit recommendations in that respect as soon as possible. The Director-General should make an increasing use of the services of UCDs for activities that would normally necessitate the dispatch of headquarters staff. In view of the need for a stronger mandate for the UCDs, his delegation urged the Director-General to undertake an immediate review of the Memorandum of Understanding with UNDP with a view to making appropriate adjustments. Without wishing to deplete the Organization's staff resources at headquarters, his delegation recommended an increased redeployment of staff to the field in line with the spirit of General Assembly resolution 47/199.

53. His delegation requested the Director-General to look immediately into possible ways of allocating a greater proportion of the regular budget for technical cooperation activities, and in that connection he welcomed the remarks made by the representative of Germany on behalf of the European Union and Austria. The ceiling set for technical cooperation activities was now inadequate, because of the substantial reduction in operational budget resources, particularly those from UNDP. More emphasis should be placed on that aspect of UNIDO's work.

54. His delegation welcomed the recent consultations with the Secretariat on the review and approval of technical cooperation projects, and hoped that further consultations would be held on that and other topics. Ideally, there should be greater involvement with member countries through their Permanent Missions in connection with the work of the Programme and Project Review Committee.

55. Turning to item 13 of the agenda, he noted that document IDB.13/CRP.5 had been produced in consultation with the Staff Council. In line with paragraph 27 (a) of the document, he endorsed the adoption of a system whereby terminal expenses and additional baggage allowance would be excluded from the lump-sum option and the full economy fare would be used as the basis for the lump-sum option in return for a reduction of the entitlement to 65 per cent of the fare. That percentage was generous enough to allow staff room for manoeuvre in arranging for their travel. It was halfway between the present entitlement of 80 per cent and the 50 per cent offered by UNESCO; the fare differential between Paris and Vienna could not be more than 15 per cent. When tickets were provided by the Organization, the Director-General should

be encouraged to use the least expensive fares available, as had long been recommended by the External Auditor. The Group of 77 had submitted a draft resolution on that subject. He appealed to the Secretariat not to ask for more time to study the matter. The new system should take effect by 1 January 1995, as decided by the Board in May. That was also the date decided on by the IAEA Board of Governors, and there was no point in each organization waiting for the other to put its decision into effect.

56. His delegation did not agree that the matter was best left to the administration: the Board was not encroaching on the Director-General's prerogatives but merely trying to give him guidance. His delegation was not proposing anything that might jeopardize the safety of the staff and their families. In proposing the use of the cheapest fares, his delegation was only thinking of Apex fares. It did not have in mind unscheduled carriers. Moreover, his delegation accepted the idea that the entitlement to home leave once every two years was an acquired right; but it did not agree that the staff had an acquired right to gain what the former External Auditor had described as "some pocket money" in exercising that entitlement. Any member of the staff who considered his rights infringed by the proposed change could always take the matter to the Administrative Tribunal, and if his case was upheld the status quo ante could always be restored.

57. The staff had also made reference in document IDB.13/31 to the report of the External Auditor, to the effect that the External Auditor had "pointed to the economies that had been achieved since the special arrangements for home leave were introduced in 1987 (IDB.13/7, para. 208)". That was a misleading statement, since the External Auditor had merely said that he had been provided by the management with a detailed computation showing the savings after having raised a query on the matter. On the contrary, the main thrust of the External Auditor's comments on the present arrangements in document IDB.13/7 was that more economies could be effected through the use of cheaper fares. As early as 1989 the then External Auditor said that he could not concur with the Administration's argument, that the use of fixed-reservation fares was more expensive in the long run. In that connection he quoted paragraph 84 of document IDB.7/11.

58. Having earlier commended the staff for their clarity of vision, his delegation believed that sooner or later they would give their wholehearted support to the relatively minor change proposed.

59. Mr. HALPHEN (Observer for Panama) congratulated the President on his election and said he felt sure that the Board would carry out its work successfully under his able guidance. His alternate would comment on items 5 and 13.

60. Mrs. DE PEREZ-VENERO (Observer for Panama) said that ethical standards ought to be much higher in the United Nations system than in other organizations which were not committed to the values set out in the United Nations Charter and the Universal Declaration of Human Rights. Any failure to live up to those standards was liable to undermine faith in the organization concerned. The Panamanian Mission to UNIDO was finding it difficult to maintain its support for UNIDO because of a lack of transparency on the part of the Organization. It had submitted four questions to the Director-General at the session of the Programme and Budget Committee in June 1994. The questions, which had been written in English in accordance with the requirements of the UNIDO Liaison Office, concerned the expenses described by the External Auditor in his 1994 report to the PBC as relating to the staff reductions carried out in 1993. The Panamanian Mission had wished to prepare a final report on the true cost of the staff reductions made the previous year and their impact on the future of the Organization. It had also hoped to include data on other related questions on which clarification had been sought since October 1993.

61. Replies to those questions would have helped to bring out the true situation concerning the cost of the staff reductions made in the previous year and to explain why the contract of the only Panamanian staff member, a person of unquestionable professional competence, had been terminated. The Panamanian Mission did not consider that to dismiss one national of a third world country in order to appoint another was the way to implement the Director-General's promises to ensure balanced geographical distribution. It understood that the same technique had been used with regard to women staff members at UNIDO of grade P-4 and P-5. Such proceedings called in question the value of the staff reductions and also the sincerity of the Secretariat. They were against the spirit of the United Nations and the declarations made by its Secretary-General on many occasions.

62. The Panamanian Mission was specifically concerned by the very high cost ($7,125,000) of the staff reduction exercise carried out in 1993, to which should be added the medical insurance and pension costs not mentioned by the External Auditor. Despite the reductions, UNIDO's problems remained, and it might well wish to reduce its staff again. The Panamanian Mission had officially submitted a number of complaints against UNIDO to the Administrative Tribunal of the International Labour Office on account of the reductions made in 1993, which would involve high legal costs for the Organization. The Panamanian Government had nevertheless, with great difficulty, paid its contribution in June 1994, a sum of US$ 68,351, which was a considerable amount for a small country.

63. Only two of the four questions put by the Panamanian Mission to UNIDO had been properly answered. On the other two, UNIDO had suggested that the Mission might find the answers in certain documents of the PBC and the IDB. The Mission had not, however, found the full answers there and had informed UNIDO of that fact in a note verbale dated 27 September 1994, written in English, in which it had expressed its concern and put further questions to UNIDO.

64. UNIDO had still not replied fully to all the questions put to it, possibly relying on the passage of time to avoid doing so. The questions referred to financial matters and to the way in which posts had been restructured, and it ought to have been possible to answer them clearly and simply. The Panamanian Mission was thus obliged to report to its Government that the obstacles placed in its way by the Secretariat had prevented it from preparing a proper report on UNIDO's financial situation and the value of the restructuring process for the Organization's future.

65. Mr. El Hussein (Sudan) took the Chair.

66. Mr. SORELIK (Russian Federation) asked if the rules of procedure provided for a time-limit to be set on speeches.

67. The PRESIDENT replied that the rules of procedure contained no provision to that effect. The Board had, however, already decided that statements should not exceed 15 minutes and that speakers should be invited to keep them as brief as possible.

68. Mr. NEGRU (Romania) said that he had noted the improvement in UNIDO's financial situation with satisfaction, but hoped that programme implementation would not suffer from excessive eagerness to balance the budget. He expressed his appreciation for document IDB.13/19. He shared the view that the main purpose of the medium-term plan should be to establish trends and to list Member States' requests for UNIDO services and that biennial programmes with detailed objectives should then be based on that framework.

69. UNIDO had once again proved its ability to face the challenges of the new economic and political situation, not only by dealing with topics such as environmentally sustainable development or assistance for small and medium enterprises, but also by the concern shown to follow the overall reform efforts of the United Nations system. The five new development objectives of the Plan (IDB.13/19, paras. 12-17) were consistent with UNIDO's previous mandates and allowed a better definition of its strategic objectives. Objectives IV and V were of particular importance to countries in transition. Lack of environmental protection in the past had led to severe cases of pollution in some parts of Romania which had appreciated the services provided by UNIDO in the form of policy advice, information on clean technologies in various industrial sectors, environment and energy audits. UNIDO had also carried out activities in Romania such as the ongoing project of technical assistance for two non-ferrous metallurgy plants. With the generous assistance of the Japanese Government, that important project was aimed at reducing pollution by preparing guidelines for introducing cleaner production practices.

70. The promotion of projects related to the Montreal Protocol through UNIDO was also worthy of mention, and in that respect he wished to commend the active role played by the Industrial Sectors and the Environment Division in promoting projects assisting industrial companies in Romania to reduce pollution.

71. With regard to objective V, Romania was particularly interested in the projects which would lead to an increase in direct foreign investment. UNIDO projects in that field had already given good results, and his country now hoped for implementation of a long-awaited project on the establishment of a Romanian IPC within the Joint UNIDO-Romania Centre. Other factors which would encourage investment promotion were related to the flow of information from UNIDO data banks to Romanian industries. The proposed project to ensure a computer link between the Bucharest office of the Joint UNIDO-Romania Centre and UNIDO would allow industrial agents in Romania to be informed about available technologies and, through the DIPP data base, to obtain relevant information about potential investors and similar investment projects promoted by the UNIDO network.

72. He agreed that the changes taking place in the global economy and the United Nations made it difficult to define tasks and programmes for six-year periods, and therefore fully supported the draft decision proposed in paragraph 149 of document IDB.13/19.

73. Mr. BRAGA (Brazil) believed that the current process of reform called for considerable efforts and probably some sacrifices. First of all, countries which had declared their readiness to increase UNIDO's capacity to promote the industrial development of the developing countries should make the effort to pay their financial contributions. The countries in arrears in their payments to the regular budget, should realize that their conduct was hampering UNIDO's administration and programmes. They were acting against their own interests, for it would be unrealistic to ask for programmes and projects of high quality if the Organization was denied the means of providing them. His delegation had been concerned to note proposals of a micro-management nature aimed at doing away with some of the benefits enjoyed by the staff. UNIDO should make savings where they were really needed, by strict control of programme and project feasibility and quality or by improving cost/benefit ratios through the redeployment of personnel.

74. Regarding the operational budget, he stressed the need for countries in a position to do so to contribute to it. It was understandable that countries might wish to pay greater attention to specific regions for various reasons, but it was recognized more and more that development was of benefit not only to the specific area experiencing it but to the whole world. Economic growth was reflected in more jobs, less poverty, less migration and wider markets.

75. The fundamental international commitment to development was the cornerstone of the order to which his country aspired and for the establishment of which organizations such as UNIDO should be utilized. Development encompassed the basic needs of all nations and all peoples and promoted human rights and welfare for all. The donor countries should realize that it was in their own interests that the general-purpose convertible segment of the IDF and the general fund of UNIDO should be important sources of finance for programmes for the whole world.

76. In addition, it might safely be considered that the pledging of contributions laid an obligation on the pledging party. Donor countries might therefore be asked to make firm pledges concerning the biennium at the beginning of the period, indicating the amount of their contributions to the general fund and the general-purpose convertible segment, and choosing, if they so wished, programmes and projects listed in the medium-term plan as having priority importance. They would thus help to avoid the dispersion of resources among many small programmes and projects, which might not have the impact hoped for in the countries concerned.

77. In accordance with Annex II of the Constitution, the amount authorized to be allocated from the regular budget for development activities was only 6 per cent. In other

United Nations organizations much higher percentages were authorized for development activities. It seemed to him that the time had come to discuss the possibility of increasing the percentage in UNIDO, after considering the study to be prepared by the Secretariat and without imposing too heavy a burden on Member States.

78. With regard to the impact of programmes and projects, the importance of UNIDO's representation in Member States should be taken into account. The number of UCDs should be increased and they should be staffed by skilled and experienced people. Brazil supported the idea that national UCDs should be appointed to all countries which could provide UNIDO with a person competent to perform the UCD function, who knew the country's industrial development needs and also knew UNIDO and its mechanisms for development promotion in the industrial field.

79. It had been said that UNIDO was ineffective, and the shortage of financial resources had been quoted as one of the reasons why it had been ineffective. The Board should not be over-hasty in its conclusions. It was responsible for giving meaning to change and for setting trends. It should pursue the restructuring process further by adopting measures that could solve the Organization's financial difficulties. It could not allow UNIDO to be paralysed by lack of resources. No other international organization could play the role that UNIDO had to play.

80. Mr. POSTA (Observer for Hungary) said he had been glad to learn that UNIDO's financial position was sound in so far as the regular budget was concerned and hoped that budget stability showed Member States' confidence in the new reform process. Further efforts were still required to find additional funds to improve the unfavourable aspects of the operational budget.

81. He had also noted, however, from document IDB.13/22 that UNIDO had accumulated some US$ 4.7 million in savings from higher-than-budgeted vacancies during the first eight months of the year. The average vacancy rate of 15 per cent in Professional posts was high enough, but if one compared the allocation of professional work-months as approved for the current biennium with the current list of staff in document IDB.13/CRP.1 it was clear that there were more vacancies in the substantive divisions than in the administrative ones. That seemed partly to explain the difficulties experienced by UNIDO in balancing its operational budget for it could not implement its technical cooperation programme without adequate technical staff. He sincerely hoped that the measures taken to achieve the full and effective utilization of resources would not distort the approved distribution of those resources among the various divisions, and particularly that it would not increase the share of administrative units to the detriment of technical units.

82. Referring to document IDB.13/28, he welcomed the clear analysis provided of the relationship between the regular and the operational budgets. The improvements in categorizing and measuring support costs were to be commended, and he hoped that the Secretariat would make similar analyses for other sectors as well.

83. Some clarification of the conclusions of the document, however, was required. It was suggested in paragraph 33 that in future budgets the Organization would allocate operational budget posts to those programmes where income was generated, i.e. the technical divisions. Since the total number of posts would probably not increase in the near future, it seemed that some regular budget posts in the substantive divisions might be exchanged for operational budget posts from administrative units. The insecurity of those operational budget posts was not likely to attract high-quality staff. It might also be assumed that any organization would prefer to maintain its core business staff and keep the more flexible or less secure posts in its administration; if the level of the services required decreased, it was the administrative service which would have less work and whose numbers could therefore immediately be reduced. He would be giving further consideration to post allocation policy before the next PBC, when the next biennial budget would be submitted for the first time.

84. Mr. GUPTA (India) said that his delegation was pleased to note from document IDB.13/21 that a standing committee had been formed to follow up the recommendations of the External Auditor. The efforts made to implement those recommendations would undoubtedly result in greater efficiency and economies.

85. Regarding the financial situation of UNIDO, it was a matter of concern that, as at 31 October 1994, the outstanding contributions for 1994 alone stood at almost 46 per cent of the total assessment. Member States in arrears should strive to pay their contributions on time, and his delegation supported the retention of savings by UNIDO in order to improve its financial situation.

86. His delegation appreciated the efforts made to stabilize the operational budget at a reasonable level. It fully supported the idea of increasing the level of regular budget resources for technical cooperation beyond the present limit of 6 per cent.

87. Concerning the draft medium-term plan, 1996-2001, India considered it extremely important that UNIDO should maintain its capability in the areas listed in table 2 of document IDB.13/19. They represented the minimum range of services that a revitalized UNIDO should provide to recipient countries.

88. On the question of UNIDO's technical cooperation activities, his delegation was pleased to note that the new service management procedure was working satisfactorily. It was, however, concerned about the response of the donor community to requests for funding quality projects approved by the Programme and Project Review Committee and would like to have detailed information in that connection.

89. His delegation was also concerned about the implementation of projects and programmes and the high vacancy factor, particularly in UNIDO's technical branches, and wished to receive more information on the matter.

90. India would make a contribution of US$ 1 million to the IDF, increasing the share in convertible currency from 50 to 80 per cent, and would allocate US$ 250,000 of that contribution to the general-purpose convertible segment of the IDF. In addition, it was making large financial contributions to a special trust fund for the

International Centre for Genetic Engineering and Biotechnology. It wished to urge other donor countries to increase their voluntary contributions in support of technical cooperation activities.

91. His delegation appreciated the Secretariat's efforts to diversify sources of funding for technical cooperation away from the United Nations Development Programme (UNDP). Efforts to utilize funds under the GEF, Capacity 21 and Montreal Protocol should be further pursued, since they would represent an increasingly important area of demand for UNIDO's services. Further attempts should also be made to increase the use of UNIDO's services by international financial institutions and agencies concerned with project implementation in recipient countries, as well as private business and industry.

92. On the question of UNIDO's field representation, his delegation believed that more regular budget resources should be used to support that programme and other possibilities of support should also be explored. At the same time, coordination at the country level between the activities of agencies of the United Nations system, including the International Monetary Fund and World Bank, remained a basic objective.

93. Regarding the electronic data-processing programme, his delegation appreciated the progress achieved, as indicated in document IDB.13/20, and supported the efforts to improve efficiency through networking and other activities. That could greatly strengthen UNIDO's capabilities and efficiency.

94. Mr. REINVART (Slovakia) said that, in view of UNIDO's difficult financial situation, only the stabilization of the regular and operational budgets could allow the Organization to carry out its programmes effectively and meet the expectations of Member States. Prompt payment of assessed and voluntary contributions was of crucial importance, particularly in the current period of UNIDO's major restructuring exercise. Slovakia had, despite its economic difficulties, paid the remaining portion of its 1994 assessed contribution.

95. In connection with technical cooperation activities, Slovakia had pledged a voluntary contribution to the IDF of an amount equivalent to US$ 80,000 for 1995 and US$ 100,000 for 1996 in support of the Slovakia-UNIDO joint programme.

96. As an example of a project for which funds had been mobilized from non-traditional sources, the Slovak National Agency for Development of Small and Medium Enterprises had signed a subcontract with UNIDO for the provision of specific services in the establishment of an industrial subcontracting and partnership exchange at Bratislava. That subcontract was the result of three-way cooperation between the European Union, the Slovak authorities and UNIDO, the funds being allocated under the European Union's PHARE programme. It was hoped that similar cooperation could be achieved with USAID and with other national and international bodies that had allocated funds for assistance in Slovakia's economic transformation, in conjunction with UNIDO's services and support.

97. He wished to express his Government's appreciation to the Government of Austria for the allocation of funds for projects dealing with environmental issues in Slovakia and the Central European region. Slovakia hoped that donor countries would be able to provide financial support for other environmental projects in heavily polluted industrial areas of Central Europe, and his Government was willing to cooperate with UNIDO in developing a pilot environmental project in Slovakia that could become a training centre for experts from developing countries.

98. His Government believed that consideration should be given to the organization of a high-level meeting in 1995 on world industrial development, to be attended by representatives of Governments, the private sector, international financial institutions and academic and scientific institutes involved with industrial development. It would be a forum for UNIDO to present its marketing strategy, programme of action and medium-term plan and would provide a means of securing support for activities at the national and multinational levels and funds for industrial development world-wide.

99. Mr. AKAO (Japan), referring to the report of the External Auditor (IDB.13/7), said that his delegation appreciated the efforts made towards rectifying instances where the financial management of UNIDO departed from the regulations. Nevertheless, much remained to be done, and his delegation wished to request that a progress report on the matter be presented at the next session of the Board. Accountability and transparency in financial management were essential for the promotion of a positive image of the Organization.

100. With regard to the financial situation of UNIDO, his Government had paid its 1994 assessed contribution in full. In the redeployment of resources to priority programmes and activities, due consideration needed to be given to the level of priority and necessity of the activities concerned. Regarding the scope and content of the operational budget and its relationship to the regular budget, his delegation believed that any changes in the cost components of technical cooperation support should be made with care. It did not share the view that the 6 per cent ceiling on the regular budget portion that could be diverted to technical assistance should be raised. Technical cooperation activities should be funded primarily from voluntary contributions.

101. Concerning the medium-term plan, 1996-2001, his delegation agreed that it should be renamed the "medium-term programme framework" and that the period covered by it should be reduced. The principle of real zero growth should be adhered to in the budget for the biennium 1996-1997.

102. Regarding agenda item 5 (d), top priority in the use of his Government's contributions to the UNIDO trust fund and the IDF would be given firstly to the LDCs, with a view to encouraging economic and technical cooperation among developing countries (ECDC/TCDC) and fostering multi-bilateral cooperation, and secondly to global issues such as the environment. The lessons learned from the in-depth evaluations made of projects financed from Japan's contributions should be incorporated by UNIDO in future project formulations.

103. In connection with the UCD programme, while he appreciated the information supplied in document IDB.13/29 on the field representation of other specialized agencies, caution should be

exercised in making comparisons between UNIDO and those agencies, whose histories were longer and whose functions and scales of activity were different. UNIDO should concentrate its services in speciality areas appropriate to a given country or region, and due account should be taken of the cost-effectiveness of the Organization's field offices. Financial or in-kind contributions by host countries were essential for the success of the UCD programme.

104. Regarding agenda item 13, his delegation believed that the amount paid by way of home leave entitlements should be adequate to cover the cost of travel to and from the staff member's home country and no higher. At the same time, staff should be treated in an identical manner to those working in other organizations of the United Nations system, with no disparities in benefits or allowances. It therefore wished to propose that the Board request the International Civil Service Commission to establish common arrangements for the operation of the system of home leave entitlements for all organizations under its jurisdiction.

105. Mr. MOAMPEA MBIO (Cameroon) said that the progress made in implementing the reform and restructuring of UNIDO was commendable. Further efforts were, however, called for to achieve a better distribution of posts at the senior and middle management levels of the Secretariat without, of course, compromising standards of competence and efficiency.

106. UNIDO's field representation was of paramount importance in meeting the requirements of the developing countries, and the Board should make such recommendations as were appropriate and necessary in the matter of decentralization of certain headquarters functions. The PBC had proposed, as an initial solution, the setting up of subregional offices. The majority of Member States that were in most need of UNIDO's services had, however, unanimously expressed a preference for regionally-based representation. A more rational use of available human and financial resources could be achieved by concentrating those resources. His Government had recently made a substantial contribution towards the funding of field representation and the reform process. It had also arranged for personnel and premises to be allocated to the Organization, in order to help ensure the success of the field representation programme.

107. In connection with the restructuring exercise, his delegation wished to urge that UNIDO's offices in the developing countries should also carry out investment promotion activities, in addition to providing the necessary support for the investment promotion services set up in the more industrialized countries.

108. His Government supported the programme for the revival of national committees for UNIDO, which could play a decisive role in the areas of coordination, follow-up, consultancy and information dissemination. Economic operators, as the main actors in the industrialization process, should be the leading members of the national committees, whose entry into operation could be speeded up through the provision of technical assistance by UNIDO.

109. Finally, he felt that efforts should be made to provide the Board with conference room papers in at least two major working languages other than English.

110. Mr. KAYALAR (Secretary of the Board) said that although the rules of procedure indeed required that all documents should be issued in the six working languages of the United Nations, there was general agreement, in the interests of economy, that, while pre-session documents would be distributed in all six working languages, in-session information documents such as conference room papers would be provided in English only.

111. Mr. AL ZEID (Saudi Arabia), referring to the report of the External Auditor, said that efforts should be made by the Secretariat to reply more fully to the External Auditor's queries and to take account of his comments, with a view to ensuring the proper financial management and control of UNIDO.

112. Regarding the financial situation of UNIDO, his delegation had noted the non-payment or delay in payment by some Member States of their assessed contributions, even for the biennium 1992-1993. That state of affairs severely hampered the Organization's implementation of its programmes. Might it not be possible to use the reserves and residual sums for the biennium 1990-1991 to make up the shortfall? All Member States should be urged to pay their contributions promptly.

113. With regard to UNIDO-administered funds, his delegation supported the use of the programming framework within the context of the guiding principle of cost-effectiveness and welcomed the Secretariat's efforts in applying the new uniform guidelines and procedures for UNIDO project acceptance and funding, as well as the review of their implementation.

114. His delegation considered that the medium-term plan, 1996-2001, could serve as a medium-term programme framework covering a four-year period, with a view to the implementation of the five major development objectives. UNIDO should deploy its full efforts to respond to the increasing needs of Member States in the context of the economic and social changes taking place throughout the world, and his delegation hoped that UNIDO would coordinate its efforts with all agencies and international bodies concerned in order to create a climate conducive to sustainable and equitable development in the developing countries, particularly the LDCs.

115. His delegation was convinced of the need to consolidate the UCD programme and UNIDO field offices. The proposals contained in document IDB.13/3 and Add.1 should be given concrete form, and adequate financial resources should be allocated so that the regional offices could be provided with the necessary staffing and technology. UNDP resident representatives should be involved in strengthening investment promotion activities in the developing countries. That would improve the regional offices' coverage of the full spectrum of field operations, with a view to more effective implementation of projects in the public and private sectors.

The meeting rose at 6.05 p.m.